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ABSTRACT

This senior high school curriculum guide offers a general overview of the American business system and a study of various forms of business ownership, internal organization and management functions of business, and the financing of business. Ten areas are explored in the course: (1) capitalism; (2) money, credit, and banking; (3) government and the economy; (4) inflation and deflation; (5) planning, organizing, motivating, and controlling functions of management; (6) job design; (7) leadership; (8) communications; (9) ethics of business management; and (10) decision-making and problem-solving techniques. For each content area, the guide provides a list of objectives, vocabulary terms, a topic outline, suggested activities/procedures, and suggested evaluation methods. A pre-posttest and a glossary are included. (LRA)

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**BUSINESS PRINCIPLES AND MANAGEMENT
CURRICULUM GUIDELINES**

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PREFACE

This manual is specifically designed to assist business and office education teachers in providing instruction for students on the American business system. It is our sincere desire that students who are introduced to the concepts and information presented in this manual will have a better understanding and appreciation of the free enterprise system. Young people who have a knowledge of the basic framework of the system can become discerning consumers as well as better informed citizens and producers.

The information presented in Business Principles and Management, Curriculum Guidelines should be considered as suggested information and not regulated materials. The teacher should not be limited by these suggestions.

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INTRODUCTION

AREAS TO BE EXPLORED IN THIS COURSE:

- I. CAPITALISM
- II. MONEY, CREDIT AND BANKING
- III. GOVERNMENT AND THE ECONOMY
- IV. INFLATION AND DEFLATION
- V. PLANNING, ORGANIZING, MOTIVATING, AND CONTROLLING
FUNCTIONS OF MANAGEMENT
- VI. JOB DESIGN
- VII. LEADERSHIP
- VIII. COMMUNICATIONS
- IX. ETHICS OF BUSINESS MANAGEMENT
- X. DECISION MAKING AND PROBLEM SOLVING TECHNIQUES

AREA COVERAGE:

In-depth coverage is determined by the length of the course offered. This allows the teacher to determine topics suitable for his/her classroom situation. Areas I — IV may have been covered in related courses.

EVALUATION:

The achievement and progress of the student should be measured by various procedures and methods. Several methods are listed in each content area. The teacher should not be limited by these suggestions.

INSTRUCTIONAL APPROACHES:

Individual and group activities should be included in the instructional approach for this course. Many techniques have been suggested: lecture, trips, speakers, role playing, games, projects, research, class discussion, group activity, individualized assignments, and case studies. Again, the instructor should not be limited by these suggestions.

INSTRUCTIONAL MEDIA:

A list of suggested references is included with this packet. Do not be limited by this list. There are many more materials available.

BUSINESS PRINCIPLES AND MANAGEMENT

COURSE TITLE: BUSINESS PRINCIPLES AND MANAGEMENT

BEDS CODE: 713

LEVEL: 11, 12

CREDIT: 1, ½

LENGTH: 1 or 2 semesters

RATIONALE:

Every year thousands of young people in South Carolina enter various business areas of the job market. Many of these young people have been exposed to classroom theories of the American business system during high school, but very often do not have an adequate understanding or appreciation of the system itself. It is imperative that instructional programs be provided for students to insure increased knowledge of the free enterprise system. Young people who learn about the basic framework of the system can become discerning consumers as well as better informed citizens and producers.

Business Principles and Management is a course designed for eleventh (11) and twelfth (12) grade students for one (1) year or a half (½) year. The course offers a general overview of the American business system and a study of various forms of business ownership, internal organization and management functions of business, and the financing of business. Concentration is focused on the concepts and practices of business or office management. Considerable stress is placed on the managerial process and the functions of planning, organizing, staffing, directing, and controlling as they relate to the daily job of an administrator, a middle manager, or an office supervisor.

Students are taught to examine career potentials in supervisory and administrative management occupations. Problems and considerations of importance to small business ownership are stressed.

PREREQUISITE: Typewriting skills would be helpful.
Effective English skills are necessary.
Introduction to Business as a background would be helpful.

EXCEPTIONS: This course may pre-empt the required course,
Office Procedures, for accounting majors.

CONTENT OUTLINE AND SUGGESTED TEACHING/LEARNING ACTIVITIES

AREA: Capitalism

OBJECTIVES: At the end of the Business Principles and Management course, the student will:

1. Demonstrate an understanding of the American economic system as a modified free enterprise system by passing objective types of testing with 70 percent accuracy.
2. Classify the types of business ownership available to the American entrepreneur and demonstrate an understanding of the advantages and disadvantages of each type by passing objective types of testing with 70 percent accuracy.
3. Demonstrate an understanding of the three types of economic systems (capitalism, socialism, totalitarianism) by comparing the features, advantages and disadvantages of each, listing at least 70 percent of the salient points or factors in the discussion.
4. Demonstrate an understanding of economic terminology related to economic systems and types of ownership by passing objective types of testing with 70 percent accuracy.

VOCABULARY: articles of copartnership, board of directors, bonds, book value, bylaws, capitalism, capital stock, charter, common stock, communism, competition, contract, cooperatives, corporation, dividends, fascism, freedom of enterprise, individualism, liquidation, par value, preferred stock, private property, profit motive, socialism, stock, stockholder, subsidies, surplus, totalitarianism.

TOPIC OUTLINE:

A. Economic system

B. Capitalism

1. private property
 - a. owners' rights
 - b. contract
 - c. advantages
2. freedom of enterprise
 - a. creating specific goods
 - b. restrictions
 1. governmental
 2. market prices
 - c. political freedom
3. competition
4. profit motive
5. arguments for capitalism
 - a. private ownership of wealth is a positive good
 - b. capital is used to produce goods and services for which there is need
 - c. competition is life of trade
 - d. division of labor results in organization of society
 - e. motive for work is self-interest
 - f. individual enjoys great amounts of freedom

C. Forms of Ownership

1. sole proprietorship

a. advantages

1. ease of beginning business
2. pride of ownership
3. receipt of all profits
4. personal relations of employer and employees
5. freedom from special property and income taxes
6. ease of dissolution

b. disadvantages

1. limited capital
2. limited managerial ability
3. burden of losses
4. liability for debts of the business
5. length of existence

2. partnership

a. advantages

1. greater capital
2. greater efficiency
3. lower income tax liability

b. disadvantages

1. unlimited liability
2. danger of disagreement
3. difficulty of transferring a partnership interest
4. division of profits

3. corporation

a. advantages

1. limited liability
2. continuous existence
3. greater capital
4. easy transfer of investment

b. disadvantages

1. limitation of credit
2. amount of governmental control
3. federal and state taxes

4. cooperative

5. franchise

6. holding company

7. mutual company

D. Other economic systems

1. socialism

a. democratic socialism

b. communism

2. totalitarianism

ACTIVITIES/PROCEDURES

1. Order for students copies of reprints of "ABC's of How our Economy Works" from: Subscriber Service, *US News & World Report*, 2300 N. Street, NW, Washington, DC 20037 Printed in May 1, 1978 issue. Use this as an introduction to the areas of capitalism and money, credit, and banking. Lead a general class discussion on this series of articles and later at the appropriate times, assign small group reports on specific sections.
2. Require that students either subscribe to or have access to current issues of *US News & World Report*, *Time*, or *Newsweek*. Set aside one day each week for individual reports from this magazine or *Wall Street Journal*, *Business Week*, *Fortune*, *Forbes*. The last four listed are more difficult to read and understand; however, some students may enjoy them. Encourage students to look at the advertisements in *Time*, or *Newsweek*.
3. Suggest that students prepare bulletin boards illustrating or comparing the forms of ownership, the economic institutions on which capitalism is based, or the different forms of economic systems.
4. Have a debate on the topic of which economic system is preferable, or the advantages of capitalism.
5. Have a panel discussion concerning the economic institutions on which capitalism is based.
6. Invite a lawyer to speak to the class about how each of the different forms of businesses is formed.
7. Divide the class into small groups and have each prepare a report on each form of business, making sure that the advantages and disadvantages of each form are included as well as local examples of each form. Suggest local interviews.
8. If possible, ask a local businessperson to discuss reasons for choosing their particular type of business or the reasons for changing from one type to another.
9. Divide the class into small groups and have each group form a different type of business.
10. Have the accounting students in the class prepare sample financial forms or statements for each type of business.
11. Divide the class into small groups and have each group bring statistics concerning the current status of specific, different types of economic systems such as capitalism in the United States, socialism in England, communism in Russia, etc.

EVALUATION:

1. Objective Testing
2. Discussion

Sub-Topic: Small Business Ownership

VOCABULARY: advertisement, capacity, capital, character, collections, commercial, conditions, industrial, product.

TOPIC OUTLINE:

- A. Seven basic types of business activity
 - 1. distribution
 - 2. financial
 - 3. government
 - 4. personal services
 - 5. professional services
 - 6. public utilities
 - 7. retailing
- B. Two major divisions of business
 - 1. Industrial business
 - a. agriculture
 - b. construction
 - c. extractive
 - d. manufacturing
 - 2. Commercial business
 - a. communication
 - b. financial
 - c. marketing
 - d. transportation
- C. Major factors critical to the success or failure of a small business
 - 1. credit practices
 - 2. experience
 - 3. flexibility when dealing with the unexpected
 - 4. financial management
 - 5. inventory control
 - 6. location
 - 7. organization
 - 8. personality factors
 - 9. regulations
 - 10. separation of business and personal money
 - 11. capital
 - 12. willingness to seek information and assistance
- D. Major characteristics of a small business
 - 1. independently owned
 - 2. not dominant in its field
 - 3. operated for profit
- E. Personality characteristics of a small business operator
 - 1. able to make quick decisions
 - 2. able to organize efficiently
 - 3. able to relate well with customers
 - 4. able to communicate honestly
 - 5. able to solve problems effectively

6. able to bounce back after a setback
7. able to lead others
8. able to work late hours
9. knowledge of field
10. self-confident, independent, enthusiastic, healthy, and extroverted

F. Major records needed to maintain a small business

1. accounts receivable register
2. business checkbook and bank reconciliation statement
3. daily receipts summary
4. individual payroll records
5. petty cash fund
6. tax records

G. Major types of credit that small business may offer

1. budget accounts (90 days — interest free)
2. charge accounts (30 days — interest free)
3. installment accounts (long term credit requiring a down payment for large purchases; carrying charge is added)
4. revolving charge accounts (limits credit amount; minimum percentage amount must be paid monthly; interest charged on unpaid balance)

H. Major considerations before extending credit (4 C's)

1. capacity
2. capital
3. character
4. conditions

I. Major types of advertising

1. publication advertising
 - a. newspaper
 - b. classifieds
 - c. general, trade, technical, or professional magazines
 - d. directories
 - e. programs
2. mass advertising
 - a. outdoor/billboards
 - b. transportation cards (bus/car)
 - c. point-of-sale
 - d. window/counter displays
 - e. loud speakers
 - f. radio/television
 - g. theater
 - h. yellow pages
3. direct advertising
 - a. circulars
 - b. catalogs
 - c. booklets
 - d. brochures (folders)
 - e. inserts
 - f. handbills
 - g. calendars/novelities
 - h. house organs

- J. Major qualifications of an advertisement
1. enthusiastic
 2. honest
 3. informative
 4. motivating
 5. easy to understand
- K. Major human relations characteristics of successful small business operators.
1. culturally aware
 2. enthusiastic
 3. listener/speaker
 4. healthy
 5. intelligent
 6. interested in people
 7. loyal
 8. organized
 9. self-confident
 10. sense of humor
- L. Factors that contribute to employee morale:
1. security
 2. advancement opportunities
 3. appreciation
 4. interest
 5. wages
- M. Major sources of assistance and information for the small business operator
1. employees
 2. customers
 3. suppliers
 4. other business operators
 5. lawyer
 6. accountant
 7. banker
 8. financial/management consultant
 9. educator
 10. trade/professional association
 11. Chamber of Commerce
 12. Credit Bureaus
 13. Better Business Bureaus
 14. Small Business Administration
 15. Internal Revenue Service
 16. Bureau of the Census
 17. Public libraries
 18. retired business operators

ACTIVITIES/PROCEDURES:

1. Develop a list of local small business operators in the various types of businesses.
2. Interview a small business operator and rate his/her personality characteristics against the list of ideal traits. Have students rate themselves on the same list.
3. Discuss the fact that there are approximately 8 million businesses in the U.S. of which 95% are considered small and contribute approximately 40% of the GNP.

4. Ask students to collect newspaper or magazine articles dealing with small business success and failure stories (locally, nationally, and internationally).
5. Ask groups of five students to setup and organize the records for their small business firm that is just beginning its operation. Have them list the steps they must complete before opening their business.
6. Ask students to collect advertisements from many sources; classify them by type, and evaluate them against the qualifications of a good ad.
7. Ask students to list the necessary human relations characteristics of the small business operator. Have them rank themselves (1-5) on each of these qualities.
8. Conduct a survey of local employees to determine what factors they consider most important regarding their job morale.
9. Write a letter(s) to various outside sources and obtain information and/or assistance for a small business.

EVALUATION:

1. Objective Testing
2. Discussion
3. Projects

AREA: Money, Credit and Banking

OBJECTIVES: At the end of this unit of Business Principles and Management, the student will:

1. Demonstrate an understanding of economic terminology related to money, credit, and banking by passing objective types of testing with 70 percent accuracy.
2. Demonstrate an understanding of:
 - a. the function of money
 - b. qualities money must possess
 - c. Federal Reserve System
 - d. different kinds of banks
 - e. functions of commercial banks
 - f. importance of banks
 - g. banking system--source of credit or money
 - h. different kinds of credit, credit instruments, and uses of credit

by passing objective types of tests with 70 percent accuracy and by discussing the various topics in essay tests, covering at least 70 percent of the pertinent facts in the discussion.

VOCABULARY: acceptability, advance, agricultural credit, bank draft, bimetallism, capacity, capital, carrying charge, cashier's check, certified check, character, charge account, check, clearing house, cognizability, commercial, commercial credit, commercial draft, correspondent banks, credit, credit instrument, currency, demand deposit, depositor, devaluation, discount, divisibility, durability, fiscal agent, Gresham's law, homogeneity, installment credit, investment credit, legal reserve, market ratio, member banks, mint ratio, money, mortgage, multiple bank credit contraction, multiple bank credit, expansion, open-market operations, primary deposit, portability, promissory note, savings and loan association, savings bank, savings certificates of deposit, stability, time deposits, trade acceptance, working reserve.

TOPIC OUTLINE

- A. Money
 1. definition
 2. money consists of
 - a. coins
 - b. currency
 - c. bank deposits
 3. things that have been used as money
 4. functions of money
 - a. measure of value
 - b. store of value
 - c. basis for credit
 - d. standard for deferred payment
 5. qualities money must possess
 - a. acceptability
 - b. portability
 - c. durability
 - d. homogeneity
 - e. divisibility
 - f. cognizability
 - g. stability of value

6. favorite money metals
 - a. gold
 - b. silver
7. government coins and printed money
8. bimetallic standard
 - a. mint ratio
 - b. market ratio
9. Gresham's Law
10. gold-coin standard
 - a. measure of value
 - b. unlimited amount coined
 - c. exchangeability
 - d. legal tender
 - e. freedom to use and own
11. abandonment of the gold-coin standard in 1933
12. dollar devaluation of 1934
13. effects of devaluation
14. fiat money
15. kinds of money we use
 - a. gold bullion
 - b. gold certificates
 - c. silver bullion
 - d. silver certificates
 - e. silver and new nonsilver coins
 - f. minor coins
 - g. United States notes, or greenbacks
 - h. national bank of 1890
 - i. treasury notes of 1890
 - j. federal reserve currency
16. backing of federal reserve currency

B. Credit

1. Definition
2. different kinds of credit
 - a. consumer credit
 - b. installment credit
 - c. bank credit
 - d. investment credit
 - e. agriculture credit
3. charge accounts
 - a. definition
 - b. advantages
 1. convenient
 2. use of goods before payment
 3. easier to return goods
 4. reduces need for immediate cash
 - c. disadvantages
 1. carelessness in buying
 2. tendency to buy too much
 3. increased cost for merchant

4. installment buying
 - a. definition
 - b. advantages
 1. early possession
 2. form of saving
 3. convenient
 4. bought on installment saves expenses
 5. expenditures can be spread out
 - c. disadvantages
 1. more costly to purchase
 2. too easy to overbuy
 5. credit instruments
 - a. credit instruments drawn on banks
 1. checks
 2. bank drafts
 3. cashier's checks
 4. certified checks
 - b. promissory notes
 - c. commercial drafts
 1. foreign bill
 2. domestic or inland bill
 3. trade acceptance
 - d. credit cards
 6. advantages and disadvantages of credit
 - a. advantages from proper use
 1. enables business firms and consumers to obtain goods at present time in exchange for promise to pay sometime in future
 2. convenient
 3. easier to buy goods from distant sellers
 4. credit is good for business for it induces people to buy
 5. banks can transfer purchasing power from one unit to another without handling cash
 - b. disadvantages arise from misuse of credit
 1. tendency to overbuy
 2. overextended credit may decrease business
 3. credit overextension may cause bankruptcy
 4. government borrowing may result in price rise and decrease in value of money
- C. Banking
1. different kinds of banks
 - a. investment banks
 - b. savings banks
 - c. savings and loan associations
 - d. commercial banks
 2. purpose of commercial banks
 - a. receive deposits of money and credit
 - b. lend money or credit to individuals and business firms
 3. different types of deposits
 - a. primary deposits
 - b. derivative deposits
 4. other functions of commercial banks
 - a. rent safety-deposit boxes
 - b. provide for sale of foreign exchange
 - c. buy and sell government and corporate securities
 - d. collect checks drawn on other banks
 - e. give advice on financial affairs

5. bank loans as extensions of credit
6. banks clear and collect checks
7. banks as source of money or credit they lend
 - a. organization and operation
 - b. demand and time deposits
8. bank reserves
9. banks create deposit currency
10. amount banks can lend to their customers
11. multiple bank credit expansion
12. bank's financial condition
13. federal reserve system
 - a. organization
 - b. management
 - c. functions
 1. holding of reserves for member banks
 2. supplying public needs for cash
 3. control of the amount of bank credit
 4. fiscal agent for the US Government
14. FDIC
15. importance of banks

ACTIVITIES/PROCEDURES

1. Continue to set aside one day each week for individual reports from the *US News & World Report*, *Wall Street Journal*, *Business Week*, *Fortune*, or *Forbes*. Encourage, also, individual reports in the area of money, credit, and banking from the financial pages of the local newspapers.
2. Have students prepare bulletin boards on things that have been used as money and bulletin boards depicting what money now consists of.
3. Have a panel discussion of the functions of money.
4. Divide the class into small groups, assigning each group one of the qualities which money must possess and have them define it, illustrate it, and defend it.
5. Show the films--"You'll Earn it," "Using Money Wisely," "Why Do You Buy?" or "Your Credit is Good." These films are available from the SC Credit Union League. You might want to show one or all of them.
6. Show the slide/cassette tape program, "The Challenge of Philosophy." This traces the history of the credit union movement in North America; It is also available from the SC Credit Union League.
7. Examine the Classroom Money Management Kit--see reference materials section.
8. Invite a local credit manager to speak to the class, asking him/her to explain the firm's credit policies and to stress the importance to business of maintaining good credit management.

9. Have students collect samples of credit instruments, creating displays and a small learning center explaining the different instruments and their uses.
10. Divide the students into small groups, having each group do some role playing, depicting an advantage of the proper use of credit or a disadvantage from improper use.
11. Invite a speaker from the local credit bureau or take a field trip to the local bureau to see how it functions.
12. Have a panel discussion concerning the different types of banks.
13. Show the films, "It's Only Money," and "It All Adds Up." These are available on a free loan basis from Association-Sterling Films. See reference section.
14. Invite a local banker to speak to your class; your local association of bankers usually volunteers a speaker or speakers during the school year.
15. Take the students on a field trip to one of the local banks.
16. Divide the class into two large groups, then let each group organize as it deems best. Ask one group to describe the handling of a check from the time it is written to the time it is returned cancelled with the bank statement. Ask the other group to explain how banks create money or credit as they lend. Ask each group to create displays which will be explained and to create learning centers which may be left for individual students to examine as they wish.
17. Have students make individual reports on organization, management, and functions of the Federal Reserve System.
18. Have students make bulletin boards showing how the Federal Reserve System can increase or decrease money supply created by bank loans.
19. Divide students into small groups and have them report on the innovations in banking as the system goes toward "paperless" banking-electronic transfer of funds, etc.

EVALUATION:

1. Standardized tests
2. Printed tests correlated with textbook
3. Teacher made tests
4. Evaluate quality and quantity of group participation
5. Evaluate quality of individual reports and projects
6. Evaluate quality and quantity of class participation

AREA: Government and the Economy

OBJECTIVES: At the end of the Business Principles and Management course, the student will:

1. Demonstrate an understanding of the role of government in protecting our natural resources with at least 70 percent accuracy.
2. Demonstrate an understanding of the role of labor unions in our country and how they are regulated and protected by our government with at least 70 percent accuracy.
3. Demonstrate an understanding of the role of government in controlling the state of our economy with at least 70 percent accuracy.
4. Demonstrate an understanding of the role of government in each of the following areas with at least 70 percent accuracy:
 - a. development of human talent
 - b. protection of people and their property
 - c. protection of minority rights
 - d. aiding old and new businesses
 - e. encouraging travel and transportation
 - f. promoting communication
 - g. promoting housing and regulating land use
 - h. protection of mental and physical health
 - i. aiding the needy and elderly
 - j. stimulating research and development
 - k. regulation of public utilities
 - l. maintaining free and fair competition
5. Demonstrate the understanding of terminology by matching terms with their definitions with at least 70 percent accuracy.
6. Demonstrate an understanding of governmental agencies and their functions by matching the agency with its purpose with 70 percent accuracy.
7. Demonstrate the understanding of government and the economy by reading an article dealing with this subject, preparing and delivering an oral report to the classmates, and meeting instructor's criteria.
8. Demonstrate the ability to prepare a research paper satisfactorily according to the standards set by the instructor.

TOPIC OUTLINE:

Sub-Topic: Government and Our Natural Resources

VOCABULARY: Air Quality Act of 1967, conservation, contour plowing, crop rotation, ecology, energy crisis, environmental impact statements, erosion, fertilizers, law of diminishing returns, Malthusian theory, natural resources, nuclear power, pollution, solar energy, Water Quality Act of 1965.

A. Ecology

B. Conservation of our Natural Resources

1. earth resources
 - a. Malthusian theory
 - b. urban renewal
 - c. prevention of land destruction
 1. erosion
 2. fires
 3. flood
 4. soil deterioration
 - a. contour plowing
 - b. crop rotation
 - c. use of fertilizers
 - d. protection of wildlife and game
 - e. control of insecticides and pesticides
2. water resources
 - a. handling conditions involving extreme demand
 - b. pollution
 - c. creation of new sources
3. air resources
 - a. industrial pollution
 - b. automobile pollution

C. Conservation Programs

1. water restriction ordinances
2. water quality act of 1965
3. air quality act of 1967
4. environmental impact statements or reports
5. EPA
6. nuclear development
7. solar energy development

ACTIVITIES/PROCEDURES:

1. Have students read in textbooks articles dealing with conservation of our natural resources.
2. Have students use the *Guide to Periodic Literature* to locate articles dealing with conservation. Allow them to prepare either written or oral reports on the articles they read.
3. Invite the local conservation agent to come to the class and inform the students what is being done in their area to prevent erosion.
4. Invite the local game and wildlife officer to the class to speak on how wildlife and game are being preserved in the area.
5. Have a class debate dealing with the construction of a nuclear plant in the community. Assign students to debate the pros and cons of the situation.
6. Invite a local expert in solar energy to speak to the class about the future of the sun as a source of energy.
7. Have the students prepare a list of things that they can do to help conserve our natural resources.

8. Have the students prepare posters dealing with some area of conservation or pollution.
9. Discuss the pollution of the school grounds and have the students plan and implement a program to combat littering.

Sub-Topic: Government and Labor Unions

VOCABULARY: Agency shop, arbitration, blacklist, boycott, checkoff system, closed shop, collective bargaining, company union, craft union, featherbedding, fringe benefits, general strike, grievance procedures, injunction, jurisdictional strike, industrial union, labor union, Landrum-Griffin Act, lockout, mediation, picket line, preferential shop, right-to-work laws, sit-down strike, strike, Taft-Hartley Act, unfair labor practices, Wagner Act, wildcat strike, yellow-dog contract.

A. Labor Unions

1. types
 - a. craft unions
 - b. industrial unions
2. goals
 - a. raising and maintaining wages
 - b. improving working conditions
 - c. protecting job security
 - d. establishing grievance procedures
 - e. securing fringe benefits
3. organization and control
 - a. federations
 1. AFL
 2. CIO
 3. AFL-CIO
 4. independent unions
4. realizing their objectives
 - a. labor contracts
 - b. types of union shops
 1. closed shop
 2. union shop
 3. preferential shop
 4. agency shop
 - c. check-off system
 - d. strikes
 - e. boycotts
 - f. union labels
 - g. limiting output or slowdowns
 - h. featherbedding
 - i. sabotage
5. opposition to labor unions
 - a. employer and business associations
 - b. blacklists
 - c. lockouts
 - d. company unions
 - e. yellow-dog contracts

6. settling labor disputes
 - a. mediation and voluntary arbitration
 - b. compulsory arbitration

B. Labor Law

1. National Labor Relations Act of 1935 (Wagner Act)
2. Labor-Management Relations Act of 1947 (Taft-Hartley Act)
 - a. right-to-work laws
 - b. right of employers to sue unions
 - c. outlawed strikes of federal employees
 - d. forced unions to file reports
3. Labor-Management Reporting and Disclosure Act of 1959 (Landrum-Griffin Act)
4. unfair labor practices
 - a. unions
 - b. employers
5. recent trends
 - a. union-management cooperation
 - b. collective bargaining for government employees
 - c. Occupational Safety and Health Act of 1972 (OSHA)

ACTIVITIES/PROCEDURES:

1. Have students read sections in Economics, Business Law, or General Business textbooks dealing with labor unions.
2. Have students invite a labor union member to the class to explain the organization of his or her union. Also, have students prepare questions in advance dealing with advantages and disadvantages of being a union member.
3. Have a student debate involving labor-management relations. Allow one student to take the side of labor and the other take the role of management.
4. Have the students list the major labor legislation which has transpired in this country since World War II. Using the *Guide to Periodic Literature*, have them locate and read articles dealing with each.
5. Have a student debate on the right of governmental employees having the right to strike.
6. Have students prepare a paper which traces the changes that have taken place in the labor movement during this century.
7. Have students prepare posters illustrating the following:

a. various types of strikes b. types of union shops c. provisions of 1. Wagner Act 2. Landrum-Griffin Act 3. Taft-Hartley Act	d. various types of unions e. unfair labor practices by unions f. unfair labor practices by employers
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8. Invite a management person to the class to explain their feelings about unions.
9. Invite a union representative to the class to explain the purpose of unions.

Sub-Topic: Promotion of Economic Development and Full Employment

VOCABULARY: acceleration principle, aggregate demand, automatic stabilizers, balanced budget, bank reserves, business cycles, contraction, depression, deficit spending, discretionary fiscal action, economic indicators, elastic currency, Employment Act of 1946, expansion, Federal Reserve System, fiscal policy, GNP, laissez faire, monetary policy, "moral suasion," multiplier principle, overproduction, peak, prosperity, selective controls, trough.

- A. Major Economic Goals of Government
 - 1. well balanced rate of economic growth
 - 2. sustained high level of production and employment
 - 3. reasonable stability of prices
- B. Fiscal Policy
 - 1. power of taxation by government
 - a. increase taxes
 - b. lower taxes
 - 2. government spending
 - a. balanced budget
 - b. deficit spending
- C. Monetary Policy
 - 1. purpose
 - a. stimulate more capital investment
 - b. create prosperity
 - c. check inflation or deflation
 - 2. Federal Reserve System's function
 - a. provide an elastic currency
 - 1. changes in bank reserve requirements
 - 2. raise or lower the interest rate
 - 3. buy or sell government bonds

ACTIVITIES/PROCEDURES:

- 1. Have students read in economics and general business textbooks areas which deal with the government influence in controlling the economy.
- 2. Have students read articles in periodic literature dealing with the role of government in controlling the economy. Articles can be located by referring to the *Guide to Periodic Literature*.
- 3. Have students make oral or written reports from their readings on the role of government in controlling the economy in periodic literature.
- 4. Have students write illustrations which demonstrate an understanding of the following: acceleration principle, aggregate demand, multiplier principle.
- 5. Have class debates on the following: arguments for and against a balanced budget; arguments for and against deficit spending; arguments for and against a surplus.
- 6. Have students research and prepare a chart illustrating each of the following during the twentieth century: business cycles, economic growth, national debt.
- 7. Have students prepare a report on how government control aided in our economic recovery after the Depression of 1929.

8. Invite an economist to the class to discuss the role government plays in controlling the ups and downs of our economy.
9. Have students prepare a list of economic indicators and explain their significance.
10. Have students list and explain the automatic stabilizers that exist in our economy.

Sub-Topic: Other Functions of Government

VOCABULARY: acts of bankruptcy, administrative agency, administrative law, bankruptcy, bonds, building codes, Civil Aeronautics Board, civil rights, Clayton Act of 1914, commodities, Commodities Exchange Commission, copyright, EEOC, FHA, FCC, FDA, FHA, FPC, FTC, grant, guaranteed home loan, intrastate commerce, interstate commerce, ICC, involuntary bankruptcy, medicaid, medicare, monopoly, Nuclear Regulatory Commission, patent, police power, probate laws, registered trademarks, regulatory agencies, Security Exchange Commission, Sherman Anti-Trust Act of 1890, SBA, social insurance, stocks, subsidy, Truth in Lending Act, unemployment insurance, uniform laws, voluntary bankruptcy, workmen's compensation, zoning laws.

A. Aids in the Development of Human Talent

1. provides and finances education
 - a. preschool education
 - b. elementary school education
 - c. secondary school education
 - d. college and university education
2. supports libraries and museums
3. provides parks and recreation areas
4. maintains departments of human resources

B. Protects People and Their Property

1. uses police power to protect against
 - a. foreign enemies
 - b. domestic criminals
2. provides fire protection
3. provides bankruptcy laws to protect creditors
 - a. involuntary bankruptcy
 - b. voluntary bankruptcy
 - c. acts of bankruptcy
4. provides consumer laws to protect the consumer
 - a. protects against misleading advertising
 - b. defines minimum and required standards
 1. credit agreements
 2. finance charges
 3. packaging and labeling
 4. weights and measures
 - c. regulates licensing and inspection
 - d. provides remedies for injuries which are suffered by consumers
 - e. Federal Food and Drug Administration
5. administers state probate laws

- C. Protects Rights of Minority Groups
 - 1. Equal Employment Opportunity Commission
 - 2. civil rights legislation
- D. Aids New and Old Business
 - 1. subsidies
 - 2. grants and loans
 - 3. Small Business Administration
 - 4. local communities give tax relief and free land to influence industries to locate in their area
- E. Encourages Travel and Transportation
 - 1. Civil Aeronautics Board
 - 2. Interstate Commerce Commission
- F. Promotes Communications
 - 1. maintains a postal system
 - 2. Federal Communications Commission
- G. Promotes Housing and Regulates Land Use
 - 1. guarantees home loans
 - a. Farmer's Home Administration
 - b. Federal Housing Authority
 - c. Veteran's Administration
 - 2. subsidizes rents
 - 3. provides public housing
 - 4. implements zoning laws
 - 5. implements building codes
- H. Protects Mental and Physical Health
 - 1. grants
 - 2. research
- I. Aids the Needy and Elderly
 - 1. food stamps and welfare programs
 - 2. free school lunches
 - 3. unemployment insurance
 - 4. workmen's compensation
 - 5. medicare and medicaid
 - 6. social insurance (Social Security)
- J. Stimulates Research and Development
 - 1. grants
 - 2. patent protection
 - 3. copyright protection
 - 4. registered trademarks
- K. Regulates Public Utilities
 - 1. transportation
 - a. ICC regulates interstate commerce
 - b. PSC in SC regulates intrastate commerce
 - 2. communications
 - a. Federal Communications Commission
 - 3. energy distribution
 - a. Nuclear Regulatory Commission
 - b. Federal Power Commission
 - 4. water distribution

- L. Maintains Free and Fair Competition
 - 1. encourages trade
 - 2. promotes uniform laws to facilitate trade between states
 - 3. regulates stock and commodity exchanges
 - a. Security Exchange Commission
 - b. Commodity Exchange Commission
 - 4. incorporates businesses at the state level
 - 5. prevents monopolies
 - a. Sherman Anti-trust Act of 1890
 - b. Clayton Act of 1914
 - c. Federal Trade Commission

ACTIVITIES/PROCEDURES

- 1. Have students read in economics, general business, and business law textbooks sections relating to the functions of government.
- 2. Have students read articles in periodical literature dealing with functions of government. Articles can be located by using the *Guide to Periodical Literature*.
- 3. Have students prepare written or oral reports from their reading in periodical literature.
- 4. Invite a police officer to talk to the students about the work in protecting people and their property.
- 5. Invite a probate court officer to talk to the students about state probate laws and how they are implemented.
- 6. Have students do research about the financing of their local public education system.
- 7. Have students prepare a notebook of federal, state, and local administrative agencies and their functions and responsibilities.
- 8. Invite a representative from the Social Security Administration to class to discuss Social Security, unemployment insurance, medicare, and medicaid.
- 9. Have students do research and write reports about stock exchanges and commodity exchanges.
- 10. Have students research how one obtains a patent or a copyright.
- 11. Show filmstrips or movies that deal with the functions of government.
- 12. Invite a local attorney to class to discuss bankruptcy laws with the students.
- 13. Have students research how one incorporates a business in SC.
- 14. Invite a staff member from the Social Services office to discuss how the needy and elderly are helped by their agency.

EVALUATION:

- 1. Teacher made objective tests.
- 2. Oral reports.
- 3. Research paper.

AREA: Inflation and Deflation

OBJECTIVES: At the end of the Business Principles and Management course, the student will:

1. Demonstrate an understanding of the following principles and concepts dealing with inflation and deflation with at least 70 percent accuracy on a teacher-made objective test:
 - a. the difference between inflation and deflation
 - b. those who benefit and those who are hurt by inflation
 - c. those who benefit and those who are hurt by deflation
 - d. the business cycles of our economy
 - e. ways in which inflation and deflation can be curbed
 - f. quantity theory of money
 - g. the way in which price indices are figured and their meaning
 - h. causes of changes in prices and the value of money
 - i. types of inflation
2. Identify from a list items characteristic of inflation and deflation with 70 percent accuracy.
3. Identify from a list those who benefit from inflation and deflation with 70 percent accuracy.
4. Identify from a list those who are hurt because of inflation and deflation with 70 percent accuracy.
5. Select items from a list which stimulate inflation and those which curb inflation with 70 percent accuracy.

VOCABULARY: base date, business cycle, compensated dollar, Consumer Price Index, cost of living, cost-push inflation, creditors, creeping inflation, debtors, deflation, demand-pull inflation, double-digit inflation, durable goods, fixed income, galloping inflation, guideposts, inflation, nondurable goods, price index number, price level, prosperity, quantity theory of money, recession, recovery, velocity of money, weighted index number.

TOPIC OUTLINE:

- A. Inflation
 1. definition
 2. causes of inflation
 - a. increases in demand for goods and services
 1. employment is high
 2. industrial capacity operating at full potential
 3. supply of raw materials is low
 - b. money in circulation exceeds production of goods and services
 - c. increases in wages exceeds the productivity of labor force
 - d. borrowing and spending by government is greater than revenue
 3. measuring inflation
 - a. calculating price index numbers
 1. changes in price levels
 2. base date
 3. weighted index numbers
 - b. consumer price index
 1. durable goods
 2. nondurable goods
 3. services
 4. personal taxes
 5. savings

4. factors which cause prices and the value of money to change
 - a. amount of money and credit which is in circulation
 - b. velocity of money
 - c. amount of production and trade which exists
 - d. quantity of money theory
 1. effect on prices over a long period of time
 2. effect on prices over a short period of time
 3. effect when government expenditures are greater than revenue received
 5. those who benefit from inflation
 - a. owners of property which sells for higher prices
 - b. investors in common stock which pays higher dividends
 - c. debtors who find it easier to repay borrowed money with cheaper dollars
 - d. manufacturers who buy low and sell high
 - e. union workers who receive wage increases greater than price increases
 6. those who are hurt from inflation
 - a. those living on fixed incomes
 - b. those who have saved their money
 - c. holders of insurance policies
 - d. owners of bonds and preferred stock
 - e. government employees whose salaries are fixed by law
 - f. creditors who loaned dollars with high purchasing power and are paid back with cheap dollars
 7. types of inflation
 - a. cost-push
 - b. demand-pull
 - c. creeping
 - d. galloping
 - e. double-digit
 8. how inflation can be curbed by
 - a. government
 - b. business
 - c. banking industry
 - d. labor
 - e. consumer
- B. Deflation
1. definition
 2. causes of deflation
 - a. decrease in the demand for goods and services
 1. high unemployment rate
 2. surplus of industrial capacity to produce goods and services
 3. surplus of raw materials
 - b. more goods and services available than money in circulation to purchase the goods and services
 - c. drop in the price of wages
 - d. decrease in borrowing and spending by the government
 3. measuring deflation
 - a. price indices
 - b. consumer price index
 4. those who benefit from deflation
 - a. those living on a fixed income
 - b. those who have saved money--dollars are more valuable
 - c. holders of insurance policies, bonds, and preferred stock
 - d. government employees whose salaries are fixed by law
 - e. creditors who loaned cheap dollars and are repaid with valuable dollars

5. those who suffer from deflation
 - a. debtors who borrow cheap dollars and repay valuable dollars
 - b. owners of property which sells for lower prices
 - c. common stock holders
 - d. manufacturers who bought high and have to sell low
 - e. workers whose wages decrease more rapidly than prices
 6. how deflation can be curbed by
 - a. government
 - b. business
 - c. labor
 - d. banking industry
 - e. consumer
- C. Business Cycles
1. prosperity
 2. recession
 3. depression
 4. recovery
 5. government controlled economy

ACTIVITIES/PROCEDURES

1. Have the students read selections dealing with inflation, deflation, and business cycles in various textbooks.
2. Have the students compute the price index for a list of ten items using a base date of ten years before the present time.
3. Have the students read articles dealing with inflation, deflation, and the business cycle which appear in up-to-date periodicals. Use the *Guide to Periodical Literature* as a source.
4. Have the students interview a person who lived during the depression of 1929.
5. Have a debate on creeping inflation and its effects. Is it good or bad for the economy?
6. Have the students interview several individuals who are retired and are living on a fixed income to see what effect the present price level has on their standard of living.
7. Prepare a bulletin board contrasting the prices of today with those of ten years ago.
8. Invite one of the local bankers to speak to the class on how they put credit into circulation in the community.
9. Prepare a bulletin board showing those who benefit and suffer due to inflation or deflation.
10. Prepare a bulletin board illustrating the different types of inflation.
11. Prepare a bingo game with words dealing with inflation, deflation, and the business cycles.
12. Interview union workers and see what effect inflation or deflation has on their standard of living during the past several years.
13. Have a debate on "Whether the government should try to control the economy."

EVALUATION:

1. Teacher made tests
2. Oral or written reports by students
3. Projects of making posters, bulletin boards, etc.
4. Oral reports dealing with interviews they conduct with various individuals who have had first-hand experiences with inflation and deflation.

AREA: Planning, Organizing, Motivating and Controlling Functions of Management

OBJECTIVES: At the end of the Business Principles and Management course, the student will:

1. Demonstrate an understanding of the terminology related to the planning, organizing, motivating, and controlling functions of management by passing objective types of testing with 70 percent accuracy.
2. Identify the characteristics and features of planning, organizing, motivating, and controlling functions of management by listing the key factors with 70 percent accuracy.
3. Outline the procedures used in modern business offices in effectively utilizing planning, organizing, motivating, and controlling functions of management with at least 70 percent accuracy.
4. Indicate an understanding of the principles of planning, organizing, motivating, and controlling functions of management by application of those principles in solving problems, preparing exhibits, researching, analyzing, surveying, designing forms and plans, preparing charts, graphs, etc., according to the specifications set by the teacher.

VOCABULARY: plan, organize, motivate, control, measure, reprographics, records management, manager, supervisor, executive, staff, standards, policies, responsibility, authority, accountability, morale, quality, quantity.

TOPIC OUTLINE:

- A. Planning Activities
 1. coordinating office services
 2. selecting site
 3. equipping site
 4. staffing site
- B. Planning Devices
 1. budget
 2. schedules
 3. standards
 4. policies
 5. procedures
- C. Planning Function
 1. setting goals
 - a. precise goals
 - b. clear goals
 - c. long-term goals
 - d. short-term goals
 2. attaining goals
- D. Organizing Function
 1. organization chart
 - a. indicates employee's area of responsibility
 - b. coordinates different kinds of work
 - c. indicates work to be done
 - d. shows lines of promotion
- E. Characteristics of Good Organization
 1. assigned responsibilities and delegated authority
 2. accountability for work
 3. unity of command
 4. control maintained

- F. Types of Organizational Structure
 - 1. line organization
 - 2. line and staff organization
- G. Motivating Function
 - 1. employee direction
 - 2. goal achievement
- H. A Good Manager
 - 1. should
 - a. be considerate
 - b. be calm
 - c. give praise and credit
 - d. recognize a good job
 - e. give constructive criticism
 - 2. avoids
 - a. bad temper
 - b. giving blame without facts
 - c. ridiculing subordinate
 - d. ignoring suggestions
 - e. assuming authority
- I. Good Human Relations Tactics
 - 1. strong executive leadership
 - 2. supportive supervisory leadership
 - 3. two-way communication between employees and management
 - 4. good communication between management personnel
 - 5. employee participation in decisions
- J. Understanding Employees
 - 1. Theory X--negative
 - 2. Theory Y--positive
- K. Controlling Function
 - 1. nature of controlling function
 - a. judging success of goals
 - b. discovering reasons goals not met
 - c. deciding corrective action
 - d. achieving short and long-term goals
- L. Types of Controls
 - 1. quality
 - 2. quantity
 - 3. time
 - 4. cost
 - 5. percent
- M. Control Cautions
 - 1. create control devices with care
 - 2. explain carefully to win employee approval

ACTIVITIES/PROCEDURES

- 1. Prepare a display of various office services that need to be coordinated in a business (large or small) as records management, mailing, reprographics, communications, etc.

2. Develop a list of local businesses with probable reasons for their location.
3. Collect information on the latest equipment and furniture for modern business offices using current magazines and newspapers.
4. Have students prepare and present oral and/or written reports on any of the areas to reinforce learning.
5. Develop samples of budgets, work schedules, standards, policies to illustrate the points learned.
6. Ask local business persons to speak showing that they use goals in their businesses.
7. Develop an organization chart for your school; then develop a chart for a small business.
8. Divide into groups; write several policies that would be good for several different kinds of assigned businesses.
9. Use prepared cases for dealing with employee morale. (See reference section.)
10. Identify various methods of handling employee grievances, tardiness, turnover. Use local businesspersons as references if necessary.
11. Develop a list of "Do's and Don'ts" for a good manager.
12. Interview local supervisors; report to class on their jobs and how they feel about employees they supervise.
13. Debate Theory X and Theory Y.
14. Set goals for the class for a month. At end of month, determine if goals have been met and what action should be taken.
15. Have students note the planning, organizing, motivating, and controlling devices and functions of their homes, classrooms, churches, clubs, etc.

EVALUATION:

1. Objective tests for vocabulary and specific facts.
2. Case problems for application of theories.
3. Oral and written reports.
4. Publisher's printed tests.

AREA: Job Design

OBJECTIVES: At the end of the Business Principles and Management course, the student will:

1. Complete the following with at least 70 percent accuracy according to predetermined standards set by instructor:
 - a. describe the function of a personnel department
 - b. identify the process of selecting employees
 - c. identify sources from which to solicit new employees
 - d. gather pertinent information about jobs
 - e. write a job description
 - f. interview an employee for a particular job
 - g. identify all monetary and fringe benefits available
 - h. identify government regulations concerning hiring
 - i. identify the procedure to train a new employee
 - j. evaluate others' work

VOCABULARY: employer, employee, supervisor, manager, executive, exempt, nonexempt status, job specification, job analysis, job description, job evaluation, rate of turnover, employment requisition, personnel management, on-the-job training, vestibule, apprenticeship, promotion, fringe benefits, profit sharing, bonus.

TOPIC OUTLINE:

Sub-Topic: Staffing Functions of Personnel Management

A. Selection of New Employees

1. responsibility
 - a. manager or owner of small business
 - b. personnel department of large firms
2. recruitment
 - a. advertisements
 - b. employment agencies
 1. private
 2. public
 - c. within company
 - d. friends of present employees
 - e. application file
 - f. placement bureau
 - g. schools and colleges
 - h. temporary help agencies

B. Procedures for Hiring New Employees

1. small firms
 - a. interview
 - b. notification of acceptance
2. medium-sized firms
 - a. application blank
 - b. employment record
 - c. interview
 - d. notification of acceptance
3. large firms
 - a. employment requisition blank
 - b. job specification
 - c. application blank

- d. record of interview
- e. check references-past employers
- f. employment test
- g. government regulations
- h. record of employment
- i. payroll change record
- j. follow-up

C. Job Analysis Program

- 1. gathering job information methods
 - a. questionnaire
 - b. interview
 - c. observation
 - d. advantages and disadvantages of each method
- 2. information required
 - a. description of duties
 - b. job knowledge
 - c. experience required
 - d. training required
 - e. mental application
 - f. dexterity and accuracy
 - g. machine or tools used
 - h. education requirement
 - i. relation to other jobs
 - j. supervision
 - k. physical activities
 - l. working conditions
 - m. occupational characteristics
 - n. hazards
 - o. initiative and ingenuity
 - p. responsibilities for others, materials and/or equipment
- 3. job descriptions
 - a. information included
 - b. its use
- 4. job specifications
 - a. definition
 - b. its use
- 5. job evaluation
 - a. methods
 - 1. ranking
 - 2. job classification
 - 3. factor-comparison
 - 4. point
 - 5. guideline
 - b. determinants
 - 1. work performed
 - 2. necessary skills
 - 3. responsibility required
 - 4. kind of working conditions
 - c. advantages and disadvantages
 - d. its use
- 6. work measurement and standards
 - a. methods
 - 1. past performance
 - 2. time analysis

- 3. work sampling
 - 4. motion and time study
 - 5. standard time data
 - b. benefits
 - c. feasibility and accuracy
 - d. implementation
- D. Interview
 - 1. types
 - a. direct
 - b. indirect
 - c. standardized
 - d. stress
 - e. record of interview
 - 2. points to cover in the interview
 - a. open-ended questions
 - b. let applicant do most of talking
 - c. give applicant a positive feeling toward company
 - d. background
 - e. attitude
 - f. interests
 - g. keep open mind
 - h. give information about the company
 - i. questions to ask
 - j. may require more than one interview
 - k. helpful hints
- E. References
 - 1. past employment
 - 2. validity of personal references
- F. Employment Tests
 - 1. types
 - 2. advantages and disadvantages
 - 3. test for job related only
- G. Government Regulations
 - 1. Civil Rights Act
 - 2. age and sex discrimination
 - 3. disadvantages
 - 4. wage-hour law
- H. Follow Up
 - 1. supervisor feedback
 - 2. employee feedback

Sub-Topic: Training

- A. Introduction for New Employee
 - 1. tour of firm
 - 2. introduce to supervisors and fellow workers
 - 3. company policies and manuals
 - 4. responsibilities of the job

- B. Training Programs
 - 1. on-the-job training
 - 2. vestibule
 - 3. apprenticeship
 - 4. supervisory
 - 5. executive development

Sub-Topic: Promotions, Transfers, Discharges

- A. Job Changes
 - 1. promotions
 - 2. transfers
 - 3. discharges
 - 4. layoffs
 - 5. labor turnover
- B. Problems of Personnel Management
 - 1. cost of employees
 - 2. importance of matching people with jobs and vice versa
 - 3. over-and understaffing
 - 4. plan ahead
 - 5. turnover
 - 6. obtaining and keeping well-qualified employees
 - 7. lead to obtain company goals
 - 8. hiring and managing women, minorities, disadvantaged

Sub-Topic: Job Benefits

- A. Financial Incentives
 - 1. salary
 - 2. wages
 - 3. commission
 - 4. bonus
 - 5. piece-rate
 - 6. profit sharing
 - 7. advantages and disadvantages
 - 8. factors that affect salary and wages
- B. Fringe Benefits
 - 1. insurance
 - 2. pension
 - 3. work week
 - 4. time off
 - 5. other
- C. Benefits Provided by Law
 - 1. health and safety
 - 2. social security
 - 3. workmen's compensation

Sub-Topic: Evaluation

A. Formal Evaluation

1. factors to evaluate
2. time schedule
3. self-evaluation
4. feedback to employee
5. outcome of evaluation
6. who should be the evaluator
7. weaknesses of evaluation

B. Methods

1. ranking
2. grading
3. forced distribution
4. paired comparison
5. goal setting
6. rating-scale
7. checklist method

ACTIVITIES/PROCEDURES

Films: Applying for Job, Encyclopedia Britannica Education Corp.
Getting a Promotion, Encyclopedia Britannica Education Corp.
Applying for a Job, Business Education Films
Job Interview: Three Young Men, Business Education Films
Job Interview: Three Young Women, Business Education Films

Discussion

Group Activity

Speakers

Visit personnel department

1. Look at ads in classified section from the local newspaper; prepare an ad for the classified section for a particular job.
2. Write letter of application to another student in the class.
Fill out application blank.
Have a mock interview--bad one and then a good one.
Have student interviewed by other student, teacher, principal, outsider.
Have students administer employment tests to each other.
Follow up with pertinent information from tests.
3. Have each student gather information about a job; use Dictionary of Occupational Titles and Occupations Outlook Handbook. Write job description.
4. Job dress day.
5. Videotape students practicing interviewing.
6. Study job manuals obtained from companies.
7. Debate between two training methods.
8. Give listening and reading skills inventory tests.

9. Encourage reading of supervisor-oriented periodicals: *Manage, Administrative Management, Plant Operating Management, Factory, Supervision, Personnel Journal, and Industry Week.*
10. Interview businesses to compare compensation and benefits.
11. Discuss what factors make employees happy on the job.
12. Write a report on the Social Security Act.
13. Have each student rate his/her own performance.

EVALUATION:

1. Teacher objective tests.
2. Oral reports.
3. Case studies.
4. Written reports.

AREA: Leadership

OBJECTIVES: At the end of this unit of Business Principles and Management, the student will:

1. Demonstrate an understanding of the terminology and material related to leadership by passing an objective type test with 70% accuracy.
2. Identify the characteristics of a good leader by listing at least six key factors with 70% accuracy.
3. Describe four principal styles of leadership by listing and explaining the effects in essay tests, covering at least 70% of the pertinent facts.

VOCABULARY: leadership, consistent, decisive, enterprising, motivation, communication, grievances, supervisors, shop stewards, subordinates, maintenance.

TOPIC OUTLINE:

A. Leadership

1. definition
2. leaders
 - a. qualities
 1. consistent
 2. fair
 3. interest in employees
 4. enthusiastic
 5. informed
 6. able to motivate
 7. able to communicate
 8. enterprising
 9. resourceful
 10. understands human behavior
 - b. responsibilities
 1. deal with superiors and subordinates
 2. deal with other managers
 3. deal with maintenance, inspection staffs, etc.
 4. deal with worker grievances
 - a. union
 - b. non-union

B. Leadership Styles

1. autocratic
 - a. most effective
 1. aggressive, hostile person
 2. insecure person
 - b. least effective
 1. independent person
 2. individualist
2. democratic
 - a. most effective
 1. aggressive, cooperative person
 2. assertive person
 - b. least effective
 1. aggressive, hostile person
 2. insecure person

3. autonomous
 - a. most effective
 1. individualist
 2. highly motivated, knowledgeable person
 - b. least effective
 1. aggressive, hostile person
 2. insecure person
- C. Parliamentary Procedure
 1. definition
 2. basic rules
 3. most effective
 - a. labor unions
 - b. stockholders meetings
 - c. church conferences
 - d. trade association conventions
 - e. corporate board of directors meetings
- D. Human Behavior
 1. Maslow's pyramid
 - a. physiological needs
 - b. social needs
 - c. egotistic needs
 2. Theory X
 3. Theory Y

ACTIVITIES/PROCEDURES

1. Divide the class into groups (4) and develop a report on the different leadership styles and the effect on different personalities.
2. Have students simulate an office problem such as personal use of supplies and equipment. Allow them to work out the solution best suited to different personalities.
3. Discuss case studies such as that of a former employee promoted to supervisor, formerly "one of the group" but now has to supervise friends.
4. Have a supervisor and/or employee visit the class to present "firsthand" information.

EVALUATION:

1. Objective tests for vocabulary and general knowledge.
2. Case problems.
3. Publisher's printed tests.

AREA: Communications

OBJECTIVES: At the end of the Business Principles and Management course, the student will:

1. Demonstrate an understanding of the terminology and material related to communication by passing an objective type test with 70% accuracy.
2. Demonstrate the need for good communications, be able to list the key topics about which to inform employees, be able to list the kinds of information to inform supervisors either on an objective test or essay test with at least 70% accuracy.

VOCABULARY: employee communications, information, oral communication, written communications, rumors, listening, media, verbal, memorandums, PBX, PAX, CENTREX.

TOPIC OUTLINE:

A. Processes

1. Oral
2. Written

B. Strategies

1. Internal
 - a. between management and employees
 1. employee manuals
 2. bulletin boards
 3. financial reports
 4. grievance policy
 - b. among managers
 1. reports
 2. memorandums
 3. committee meetings
 4. conferences
 5. telephone
2. External
 - a. correspondence
 1. correspondence processing
 - a. procedure
 - b. equipment
 2. office dictation
 3. office transcription
 - b. telephone
 1. PBX
 2. PAX
 3. CENTREX
 4. automatic dialing
 - c. facsimile and transmission system
 - d. teletype
 - e. telegraph

C. Techniques

1. person-to-person
 - a. verbal
 1. informal/impromptu talks
 2. planned appointments
 3. telephone conversations

- b. written
 - 1. interoffice memos
 - 2. letters
 - 3. reports
- 2. Group
 - a. verbal
 - 1. informal staff meetings
 - 2. planned conferences
 - 3. large meetings
 - b. written
 - 1. bulletin board notices
 - 2. posters
 - 3. exhibits/displays
 - 4. films, filmstrips, easel, audio cassettes, etc.

ACTIVITIES/PROCEDURES

1. Allow students to share their experiences with various communication forms involving schools, home, church, etc.
2. Students should collect as many different forms of communication as they can find, such as letters, bills, bulletins, advertisement leaflets, memos, etc.
3. Have students prepare (or design) bulletin boards and posters illustrating various ways to communicate.
4. Demonstrate by role playing how the tone of voice or approach can affect communication. The students would need to simulate a two-way telephone conversation.
5. Have a guest speaker from the telephone company to demonstrate different telephone equipment.
6. Have a guest speaker from a machines company to exhibit the latest office equipment, such as word processing equipment.
7. Have students compose a letter to customers promoting a new service being offered.
8. If dictating equipment is available, practice dictating.

EVALUATION:

1. Publisher's printed tests.
2. Objective tests for vocabulary and general knowledge.
3. Projects.
4. Case problems.

AREA: Ethics of Business Management

OBJECTIVES: At the end of the Business Principles and Management course, the student will:

1. Define ethics, recognize the difference between ethical and unethical behavior, explain importance of management ethical behavior, and demonstrate desirable personal traits necessary for success in a management position with at least 70 percent accuracy complying with objective tests and other teacher directed instruments.

VOCABULARY: ethics, morals, conduct, loyal, objective.

TOPIC OUTLINE:

- A. Ethical Behavior
 1. definition
 2. characteristics
 - a. honest
 - b. objective
 - c. loyal
 3. guidelines
 4. examples set by superiors
 - a. tactful
 - b. fair
 - c. praise appropriately
- B. Obligations
 1. customer
 2. management
 3. employees
 4. owners/investors
 5. competitors
 6. public
 7. environment
- C. Employer-employee relationships
- D. Professional organizations

ACTIVITIES/PROCEDURES

1. Case studies
2. Role playing.
3. Write and discuss examples of questionable behavior.
4. Prepare bulletin board encouraging ethical behavior.
5. Survey students' attitudes at beginning of year or unit and after class discussion and determine the change.
6. Have students present oral and/or written reports on discussion with business owners concerning problems competing with other businesses, obligations to public and employees.
7. Visit professional organization meetings and trade shows.

EVALUATION:

1. Printed tests.
2. Vocabulary tests
3. Small group participation.
4. Individual activity, class participation.
5. Observation of attitude, initiative, and resourcefulness.
6. Evaluation of case studies.

AREA: Decision Making and Problem Solving Techniques

OBJECTIVES: At the end of the Business Principles and Management course, the student will:

1. Demonstrate an understanding of the terminology, steps, and procedures related to problem solving and decision making by completing teacher-made tests with at least 70 percent accuracy.
2. Demonstrate an understanding of the principles involved by satisfactorily solving case studies with at least 70 percent accuracy.
3. Apply the scientific method of problem solving to actual classroom problems with at least 70 percent accuracy.
4. List the procedures and techniques involved in researching and solving problems with at least 70 percent accuracy.

VOCABULARY: planning, decision making, business research, primary data, secondary data, GNP, trade association, trade magazine, market research, motivation research, financial research, economic research, pure research, applied research, hypotheses, data, research.

TOPIC OUTLINE:

- A. Risk in Free Enterprise System
 1. poor economic conditions
 2. competition
 3. market changes
 4. law and regulation changes
 5. varying social values
- B. Reduce Risk
 1. effective planning
 2. wise decision making
- C. Business Research Techniques
 1. types
 - a. pure
 - b. applied
- D. Areas of Research
 1. Marketing
 - a. market
 - b. motivation
 - c. advertising
 2. product
 3. personnel
 4. financial
 5. environmental
 6. economic
- E. Research Facilities
 1. in-house divisions
 2. university faculty members
 3. governments
 4. trade associations
 5. private consultants
 6. organizations

F. Information Sources

1. newspapers
2. chambers of commerce
3. merchants' associations
4. US and state departments of commerce
5. SBA
6. trade magazines
7. libraries

G. Problem-Solving Techniques

1. identify problem
2. formulate tentative solution
3. collect information
 - a. primary data
 - b. secondary data
4. classify information
5. interpret information
6. test tentative solution
7. modify if necessary
8. come to conclusion

H. Principles of Effective Work

1. Plan--what, how, when, where, how fast
2. schedule--definite, compatible, conformity
3. execute--skillfully, accurately, rapidly, limited effort and delay
4. measure--past records, forecast, quantity, quality
5. reward--money, self-development, happiness, health, good working conditions

ACTIVITIES/PROCEDURES

1. Have students apply steps of scientific problem solving to prepared case studies or current local problems.
2. List situations when product, personnel, financial, environmental research would be beneficial.
3. Survey local area for sources of information. Make a list.
4. Carry out a specific research problem. Show how research is essential to good decision making.
5. Prepare a display of information sources.
6. Prepare a list of private and public research facilities.
7. Invite specialists in research to speak to the class.
8. Film on decision making.
9. Illustrate the difference between pure and applied research techniques.
10. Assemble a panel to discuss the risks in the free enterprise system.
11. Debate the advisability of following a set procedure in solving problems and making decisions.
12. Discuss the problems involved in "an educated guess."

EVALUATION:

1. Teacher prepared objective tests.
2. Case studies to determine which type of research is applicable.
3. Written and oral reports.
4. Evaluate creative thinking, research, and follow through.
5. Research assignment.

PRE/POST TEST

CAPITALISM

DIRECTIONS: *Choose the best answer; record your answer on a separate sheet of paper.*

1. Which of the following are advantages of sole proprietorship?
 - a. Opportunity for increased income
 - b. Job security
 - c. High social standing
 - d. All of the above
2. Which one of the following is a disadvantage of sole proprietorship?
 - a. Double taxation
 - b. Risk of financial loss
 - c. Early retirement
 - d. High cost of pension plans
3. The major disadvantage of a partnership is
 - a. Less capital
 - b. Higher taxes
 - c. Unlimited liability
 - d. All of the above

DIRECTIONS: *Match the following characteristic to the appropriate system; record your answer on a separate sheet of paper.*

- | 4. CHARACTERISTICS | SYSTEMS |
|---|---|
| (1) Private citizens may own, produce, and distribute goods as long as they conform to government regulation. | a. Capitalism
b. Socialism
c. Communism |
| (2) The profit motive is a prime incentive for the seller. | a. Capitalism
b. Socialism
c. Communism |
| (3) Government owns and plans production resources for an entire economy. | a. Capitalism
b. Socialism
c. Communism |
| (4) Government owns all (or almost all) productive resources of a nation. | a. Capitalism
b. Socialism
c. Communism |
| (5) Limits the rights of the individual to own property for productive purposes. | a. Capitalism
b. Socialism
c. Communism |

5. Competition refers to the

- a. Monopolistic nature of the free market.
- b. Rivalry among sellers for the customer's dollars.
- c. Inefficient uses of productive resources.
- d. Advertising campaigns waged by big business.

MONEY, CREDIT, AND BANKING

6. Banks may be classified as

- a. Commercial banks
- b. Savings banks
- c. Trust companies
- d. All of the above

7. Which one of the following types of loans best describes a collateral loan?

- a. Secured loan
- b. Demand loan
- c. Unsecured loan
- d. Short-term loan

8. Which one of the following organizations governs state banks?

- a. Federal Deposit Insurance Corporation
- b. State Department of Banking Services
- c. Federal Reserve Board
- d. Federal Treasury Department

9. Negotiable instruments are

- a. Promissory notes
- b. Checks
- c. Money orders
- d. All of the above

10. Borrowed capital may be obtained via

- a. Bonds
- b. A factoring company
- c. Insurance policies
- d. All of the above

GOVERNMENT AND THE ECONOMY

DIRECTIONS: Match the following agencies to their appropriate purposes; record your answer on a separate sheet of paper.

11.	AGENCY	PURPOSE
	(1) Environmental Protection Agency	a. Standardizes the names, grades, and measurements of food products
	(2) Securities and Exchange Commission	b. Regulates interstate sales of food, drugs, and cosmetic products
	(3) Federal Trade Commission	c. Administers federal laws concerning bonds, stocks, and notes
	(4) Food and Drug Administration	d. Enforces water and air pollution standards
	(5) U.S. Department of Agriculture	e. Establishes Rules of Fair Business Practices

12. Forests and fisheries may be classified as _____ natural resources.

- a. Nonrenewable
- b. Renewable
- c. Self-renewing
- d. Virtually inexhaustible

13. The "energy crisis" refers to the scarcity of

- a. Oil
- b. Natural gas
- c. Electricity
- d. All of the above.

14. In order to enforce union demands and protect worker's rights, unions have sometimes chosen to

- a. Walkout
- b. Boycott
- c. Picket
- d. All of the above

15. The average life expectancy of the United States' population is

- a. 40
- b. 50
- c. 60
- d. 70

INFLATION AND DEFLATION

16. One cause of inflation is
- a. Increased productivity of the labor force
 - b. Deficit spending by the government
 - c. Low circulation of money in the marketplace
 - d. Increase in the supply of goods
17. Which of the following groups of people are hurt most by inflation?
- a. Homeowners who sell their property
 - b. Debtors who are repaying borrowed money
 - c. Owners of stocks and bonds
 - d. Manufacturers who buy goods cheaply
18. A recession refers to the
- a. Decline of the Gross National Product (G.N.P.)
 - b. Rapid rise in prices
 - c. Increased production of goods
 - d. Full employment of the nation
19. The Consumer Price Index reports the
- a. Change in prices for a "market basket of goods "
 - b. Current prices of all durable goods
 - c. Increase/decline in consumer services
 - d. Effect of taxes on goods and services
20. The cycle of business refers to
- a. Birth, growth, death
 - b. Prosperity, recession, depression, recovery
 - c. Inflation, deflation
 - d. All of the above

FUNCTIONS OF MANAGEMENT

21. Management is a process; its primary goal is to
- a. Discipline personnel within an organization
 - b. Evaluate the productivity of an organization
 - c. Achieve the goals of an organization
 - d. Budget the time, personnel, and resources of an organization
22. Planning activities refer to
- a. Setting goals
 - b. Budgeting items
 - c. Attaining goals
 - d. All of the above

23. Organizing activities refer to
- a. Coordinating different kinds of work
 - b. Arranging schedules
 - c. Writing a procedures manual
 - d. All of the above
24. Motivating activities refer to
- a. Building morale
 - b. Accounting for employee behavior
 - c. Achieving goals
 - d. Controlling absenteeism
25. Controlling activities refer to
- a. Judging goal success
 - b. Deciding corrective action
 - c. Achieving goals
 - d. All of the above

JOB DESIGN

26. Which of the following tasks are the function of a personnel manager?
- a. Hire/fire employees
 - b. Promote/transfer employees
 - c. Train employees
 - d. All of the above
27. Which of the following sources are suitable for recruiting employees?
- a. Placement bureaus
 - b. Application file
 - c. Company employees
 - d. All of the above
28. Which of the following types of training are appropriate for "on-the-job"?
- a. Vestibule training
 - b. College training
 - c. Apprenticeship training
 - d. All of the above
29. Which one of the following job changes is most desirable to an organization?
- a. Discharge
 - b. Layoff
 - c. Promotion
 - d. Transfer
30. Which one of the following benefits are provided by law?
- a. Insurance
 - b. Profit sharing
 - c. Holidays
 - d. Workmen's Compensation

LEADERSHIP STYLES

31. An organization's supervisor should *not* be
- a. Interested in employee's welfare
 - b. Able to communicate
 - c. Inconsistent in decisionmaking
 - d. Understanding of human behavior
32. One of a supervisor's prime responsibilities is
- a. Dealing with supervisors and subordinates
 - b. Inspecting union workers' production
 - c. Calculating labor turnover
 - d. Conducting stockholder's meetings
33. A most effective democratic leader is
- a. Independent
 - b. Assertive
 - c. Indifferent
 - d. All of the above
34. Theory X assumes that employees are
- a. Indifferent
 - b. Negative
 - c. Positive
 - d. Egotistical
35. Parliamentary procedures are outlined in
- a. A procedures manual
 - b. *Robert's Rules of Order*
 - c. *Maslow's Pyramid*
 - d. A union contract
36. Internal verbal communication may be accomplished via
- a. Employee manuals
 - b. Bulletin boards
 - c. Telephone conversation
 - d. Memos
37. The quickest, most inexpensive, and least accurate form of office communication is via
- a. Grapevine
 - b. Reports
 - c. Grievance meetings
 - d. Conference

38. Group messages are best handled via
- a. Individual appointment
 - b. Staff meetings
 - c. Telephone
 - d. Posters
39. External written communication is most efficient when a supervisor uses
- a. Office dictation
 - b. Machine dictation
 - c. Longhand writing
 - d. A typewriter for "rough drafts."
40. The most commonly used mode of communication in today's business office is the
- a. Telephone
 - b. Memorandum
 - c. Telegram
 - d. Electronic transfer

ETHICS OF BUSINESS MANAGEMENT

41. Ethical business persons typically are
- a. Objective
 - b. Loyal
 - c. Honest
 - d. All of the above
42. Which one of the following statements best refers to the definition of business ethics?
- a. Obligation of business to contribute to society's welfare
 - b. Concern for establishing fair rules of conduct
 - c. "Right to be heard" for the consumer
 - d. Conservation of land, labor, and capital
43. Business should be morally obligated to
- a. Customers
 - b. Employees
 - c. Competitor
 - d. All of the above
44. A national organization that represents the interests of business and ethical practices is
- a. Chamber of Commerce
 - b. League of Women Voters
 - c. AFL-CIO
 - d. Better Business Bureau

45. The Federal Fair Labor Standards Act regulates

- a. Wages and hours of employees
- b. "Right-to-work" legislation
- c. Union arbitration
- d. O.S.H.A. standards

DECISION MAKING/PROBLEM SOLVING TECHNIQUES

46. Employees desire rewards for their work. Which of the following ranks first on their list of desires?

- a. Money
- b. Job satisfaction
- c. Good working conditions
- d. Healthy work environment

47. Research is essential to the decisionmaking process. Where is research conducted?

- a. Universities
- b. Government
- c. In-house
- d. All of the above

48. Up-to-date business information may be obtained via

- a. Trade magazines
- b. Small Business Administration
- c. Merchant's associations
- d. All of the above

49. Business research may be conducted in which of the following areas?

- a. Marketing
- b. Product
- c. Environmental
- d. All of the above

50. Risk-taking can be reduced via

- a. Eliminating the competition
- b. Planning effectively
- c. Changing markets frequently
- d. All of the above.

PRE/POST TEST

Answer Key

- | | |
|-----------|-------|
| 1. D | 22. D |
| 2. B | 23. A |
| 3. C | 24. A |
| 4. (1) A | 25. D |
| (2) A | 26. D |
| (3) B | 27. D |
| (4) C | 28. C |
| (5) B | 29. C |
| 5. B | 30. D |
| 6. D | 31. C |
| 7. A | 32. A |
| 8. C | 33. B |
| 9. D | 34. B |
| 10. D | 35. B |
| 11. (1) D | 36. C |
| (2) C | 37. A |
| (3) E | 38. B |
| (4) B | 39. B |
| (5) A | 40. A |
| 12. C | 41. D |
| 13. D | 42. B |
| 14. D | 43. D |
| 15. C | 44. A |
| 16. B | 45. A |
| 17. C | 46. B |
| 18. A | 47. D |
| 19. A | 48. D |
| 20. B | 49. D |
| 21. C | 50. B |

GLOSSARY

A

acceleration principle — when the demand for a consumer good causes a greater percentage increase in the demand for a closely related good (i.e., housing demand increases the demand for wood, equipment, and construction labor)

acceptability — the characteristic of a negotiable instrument to be satisfactory and valid

accountable — answerable

advance — to pay money or interest before it is legally due; to supply or lend credit

advertisement — a communication method of telling prospective customers about a business and its goods or services

aggregate demand — refers to the total amount of consumption and investment needed to determine the true amount of income

applied research — practical study utilizing existing knowledge in an effort to solve a problem

apprenticeship — a beginner (or learner) in a trade, art, or business

arbitration — a formal means of settling labor-management disputes before a strike ensues. A third party listens to the argument and reaches a decision

authority — the right and power to command; an expert in a given field

automatic stabilizers — refers to the fiscal policy that helps stabilize the economy. Such stabilizers include automatic changes in tax receipts, unemployment compensation and welfare transfers, farm-aid program, corporate savings and family savings

B

balanced budget — a financial condition whereby expenses do not exceed income

bank draft — a check drawn by a bank against funds deposited to its account in another bank

bank reserves (against deposits) — that portion of deposits maintained by a bank either as costs on hand or deposits in the Federal Reserve Bank or other approved banks, for the purpose of meeting depositor's demands

bankruptcy — the state of being judged legally insolvent and the property is distributed among the creditors in accordance with the law

base date — the year used to make economic comparisons against

bimetallism — the doctrine advocating the use of gold and silver as monetary standards of currency and value

blacklist — a list of union troublemakers who employers disapprove, boycott, or suspect of disloyalty and thereby refuse to hire (an illegal practice)

board of directors — persons elected by stockholders to make corporate policies and managerial decisions

bonds — formal promises to pay a certain sum of money at a future date and to pay interest periodically at a specified rate

bonus — something given or paid in addition to what was expected

book value — the value of a corporate business according to standard accounting procedure

boycott — a protest or coercion measure whereby persons abstain from using, buying, or dealing with a particular company's goods or services

building codes — regulations restricting the types of construction

business cycles — refers to the four phases of business: prosperity, recession, depression, and recovery

business research — a systematic study for an interpretation of facts in an effort to solve specific business problems

C

capacity — a person, organization, or business' ability to repay borrowed funds in the future

capital — the amount of money or property invested in a business or the net worth of a company

capitalism — an economic system whereby private citizens go into business for themselves, produce goods and services, and distribute their products as they desire

carrying charge — the interest charged on the balance owed when paying on installments

cashier's check — a check drawn by a bank on itself and signed by authorized person

CENTREX — Central Telephone Exchange

certified check — a personal check which a bank guarantees acceptable

character — the customer's past record of payment or nonpayment

charge account — a business arrangement of credit in which the customer receives purchases or services prior to payment

check — a draft drawn on a checking account payable on demand

Civil Aeronautics Board — CAB governs rates for the transportation of products and people between specified points

civil rights — pertains to the rights of the private individual and to the legal proceedings concerning those rights

Clayton Act of 1914 — prohibited discrimination in price between different purchasers of commodities "where the effect of such discrimination may be to substantially lessen competition or tend to create a monopoly in any line of commerce."

clearing house — a place where representatives of the commercial banks in the same locality meet each day at an agreed time to exchange checks, drafts, etc. drawn on each other and to settle the resulting balances

closed shop — a business or industrial establishment whose employees are required to be union members; or, agree to join the union within a specified time after being hired (union shop)

cognizability — ability to receive money from a banking or lending institution because you have a reputable character

collections — the process of accumulating past due accounts

collective bargaining — group negotiations between union leaders and representatives and employers over the terms and conditions of employment

commercial — pertains to businesses that deal in communication, finances, marketing, and transportation

commercial credit — loans extended to producers, distributors, and service companies who engage in commerce

commercial draft — a documentary instrument used for transferring money

Commodities Exchange Commission — regulates commodity exchanges involving foods, grains and feeds, fats and oils, textiles and fibers, and metals markets

commodity — an article of trade or commerce that can be transported, especially agricultural or mining product

common stock — a classification of stock or ownership interest of a corporation divided

into units called shares. Stockholders may vote, elect directors, and receive dividends after preferred stockholders

communication — the exchange of thoughts and messages via speech, signals, or writing to employees or customers

communism — an economic system of forced socialism. All (or almost all) productive resources are government owned and controlled

company union — an organization of wage earners formed for the purpose of serving their company's interests with respect to wages and working conditions (usually dominated by management)

competition — rivalry among businesses to attract new customer dollars

conditions — the economic situation of the local community, or region that is considered before credit is established

conduct — to behave

conservation — the act of preserving soil, forests, and water resources from loss, waste, or harm

consistent — compatibility or firm agreement among successive arts, ideas, or events

Consumer Price Index — charts the changes in the prices for a "market basket of goods"

contour plowing — the running rows for planting on the level or with a slight amount of fall

contract — legal agreements that bind all parties of a business

contraction — recession

control — to direct, dominate or regulate

cooperatives — a special form of corporate organization that operates to supply goods and services to members (owners)

copyright — an exclusive right granted by the government to an author to print an original work for 28 years (either literary, dramatic, artistic, scientific or educational)

corporation — an organization of individuals created by a state charter for a definite purpose, treated as an artificial person, separate from its owners

correspondent bank — one which carries a deposit balance for a bank usually located in another city or engages in an exchange of services with it

cost of living — the average cost for the basic necessities of food, clothing, and shelter

cost-push inflation — designates a type of inflation whereby increased production costs (such as higher wages) tend to drive up prices

craft union — a labor union limited in membership to workers engaged in the same union (horizontal union)

credit — an advance of cash, merchandise, or other commodity in the present, in exchange for a promise to pay a definite sum at a future date, (sometimes with interest)

credit instrument — a legal agreement issued to authorize the holder to buy goods or services on credit

creditor — one who sells or lends on another's promise to pay in the future

creeping inflation — a gradual increase in the price of goods and services

crop rotation — the act of planting crops in regular succession year after year on the same land

D

data — information used for decision making

debtor — one who buys or borrows and promises to pay later

decision making — choosing and following a specific course of action from many alternatives

decisive — solving a dispute or doubt firmly and without question

deficit spending — the act of spending borrowed money

deflation — a decrease in the general price index

demand deposit — funds in a checking account subject to withdrawal on demand by the depositor

demand-pull inflation — designates a type of inflation in which increased demand for a limited amount of goods and services tends to drive up prices

depositor — an individual, business, or other organization who places money in an account

depression — a period of drastic decline in the economy; it is characterized by unemployment, falling prices, and slow business activity

devaluation — to lower the exchange value of currency

discount — interest paid in advance on an obligation

discretionary fiscal action — programs which involve explicit public decision making (i.e., varying public works programs, transfer expenditure programs, and tax rates)

dividend — the distribution of corporate earnings to the stockholders in proportion to their stockholdings

divisibility — capable of being divided

double-digit inflation — refers to the percentage rate increases in inflation between 10% and 99%

durability — able to withstand wear and tear; long lasting

durable goods — products that can be used over and over again before finally wearing out (i.e., automobiles, furniture, and household equipment)

E

ecology — the interrelationships between organisms and their environment

economic indicators — refers to a variety of economic factors in the marketplace, such as

unemployment, consumption, production, capital formation, bankruptcies, etc.

economic research — investigation or study relating to economic trends

elastic currency — refers to the sharp change in prices when consumers demand goods and services

employee — one who works for another in return for financial (or other) compensation

employee communications — verbal and nonverbal exchanges among workers

employer — one who hires persons for wages or salary

employment — the work in which one is engaged; business; or profession

Employment Act of 1946 — stated that the government feels a responsibility to help keep employment high, growth strong, and prices stable

employment requisition — a written request for a job

energy crisis — refers to a shortage of available energy resources

enterprising — showing imagination, initiative, and readiness to undertake new risks or adventures

environmental impact statements — the guidelines that industry and business observe to control pollution

EEOC — Equal Employment Opportunity Commission

equity — the value of collateral over and above the amount of obligation it covers

erosion — a group of natural processes including weathering, dissolution, abrasion, corrosion, and transportation by which earthy or rock material is removed from the earth's surface

ethics — the study of the general nature of morals and moral choices made by the individual in relationship to others

executive — a person having administrative or managerial authority in an organization

exempt — free from an obligation or duty required by others

expansion — prosperity

F

FHA — Farmers Home Administration

featherbedding — the retention of employees who add nothing whatever to the productive process of the organization. This practice requires employers to pay for work that has not been done

FCC — Federal Communications Commission

FHA — Federal Housing Administration

FPC — Federal Power Commission

Federal Reserve System (1913) — serves as a central bank which controls member commercial banks

FTC — Federal Trade Commission

fertilizers — any one of many natural and synthetic materials such as manure, nitrogen, phosphorus, and potassium compounds, spread on or worked into the soil to increase fertility

financial research — investigation or study relating to the financial operations of a business

fiscal agent — one who conducts financial work pertaining to the treasury

fiscal policy — the process of shaping taxation and public expenditure

fixed income — refers to a regulated amount of income such as Social Security income for the aged

FDA — Food and Drug Administration

freedom of enterprise — the right of the individual to assume the risks of managing a business

fringe benefits — special privileges and benefits for workers beyond the amount received in their paychecks (i.e., insurance, pensions, jury duty pay, holidays, bonuses, etc.)

G

galloping inflation — a sharp increase in the pull of goods and services

general strike — work stoppage caused by employees who refuse to continue until the employer meets their demands

grant — a transfer of property by deed; to permit

Gresham's law — the theory that if two kinds of money in circulation have the same denominational value but different intrinsic values, the money with higher intrinsic value will be hoarded and eventually be driven out of circulation by the money of lesser intrinsic value

grievance — a complaint or protest expressed to employers, personnel department, or union representative

grievance procedure — a course of action whereby an employee expresses his/her complaint to a personnel department or management through union representatives

G.N.P. — gross national product is the total market value of all the goods and services produced by a nation during a particular period

guaranteed home loan (G.I. loan) — the Veterans Administration guarantees or insures home and farm loans to veterans and certain other service persons

guideposts — economic indicators of the direction of the business cycle

H

hypothesis — a proposition stated as a basis for reasoning, argument, or conclusion drawing (tentative solutions)

individualism — the theory that the interests of the individual should take precedence over the interests of the state

industrial — pertains to businesses that deal in agriculture, construction, extraction, or manufacturing

industrial union — a union for skilled, semiskilled, and unskilled workers employed by the same industry in an area, regardless of their particular trade or craft

inflation — a continuing rise in prices for goods and the factors of production

information — communication of knowledge derived from study; experience, or instruction

injunction — a court order directing a person(s) to refrain from doing a certain act(s)

installment credit — arrangement whereby several successive payments are made over a definite period of time in settlement of a debt

interstate commerce — the trade among states

ICC — Interstate Commerce Commission

intrastate commerce — the trade within a state boundary

investment credit — a means by which investors loan money by purchasing corporate stocks and bonds

J

job analysis — a study of all duties performed in a particular occupation

job description — a listing of all the duties and responsibilities for a particular occupation

job evaluation — a measurement of a person's ability to perform job duties

job specification — a listing of the requirements for a particular occupation

jurisdictional strike — work stoppage because of a dispute between different unions (an unfair union practice)

L

labor union — an organization of employees formed to protect and serve their interests with respect to wages, working conditions, and fringe benefits

laissez faire — the doctrine that government should not interfere with business

Landrum - Griffin Act (1959) — This Labor Management Reporting and Disclosure Act deals with internal union affairs by providing new safeguards for rank-and-file members. It places additional restrictions on the activities of unions and their officers

law of diminishing returns — the observation that after a certain point in time, profits diminish in proportion to the amount of further investment

leadership — the ability to get people to cooperate with you toward a goal; inducing the employees to produce efficient results in an atmosphere of business harmony

legal reserve — the sum of money that a bank or insurance company is required by law to set aside as security

liquidation — the process of settling a debt via converting assets into cash

listening — to hear or pay attention

lockout — the closing of a plant by management because of a worker dispute ("shut out")

loyal — faithful to a person, ideal, or custom

M

maintenance — the job of keeping something in proper condition (i.e., cleaning offices daily)

Malthusian theory — a theory that population

tends to increase faster than food supply, with inevitably disastrous results unless the increase in population can be checked

management — the person or persons who control and handle the business affairs of an establishment or organization

manager — a person in charge of a business or other enterprise

market research — investigation or study of all the functions performed in the movement of goods from producer to consumer; or, the study of people who buy or may buy a company's products

measure — an evaluation or basis of comparison

media — a means of mass communication such as newspaper, television, or magazines

mediation — a conference held between labor and management with a third party chairperson who attempts to help both parties come to terms

Medicaid — a program, jointly funded by the states and the federal government, that provides medical aid for people who fall below a certain income level

Medicare — a program under the Social Security Administration that provides medical care for the aged and/or disabled

memorandum — a short note written as a reminder or record of information

monetary policy — pertains to a nation's coins or currency supply, production, control, or dissemination

money — coins, currency, and negotiable paper legally established as the exchangeable equivalent of all other commodities and is used as a measure of their comparable values in the marketplace

"moral suasion" — the Federal Reserve Board expresses disapproval with banks verbally when the banks are not doing what is wanted of them

morele — the state of an individual or group as demonstrated by their willingness to perform assigned tasks; confidence, cheerfulness and discipline

morals — actions in accordance with standards of goodness or established codes of behavior

mortgage — a legal document and security instrument evidencing a creditor's lien against real property, which is executed by a debtor directly to a creditor

motivate — to stimulate to action; provide with incentive

motivation research — the study of probing the subconscious reasons for consumer choices

multiplier principle — an economic doctrine whereby an increase in net investment will increase national income by a multiplied amount

N

natural resources — a material source of wealth that occurs in a natural state, such as forests or minerals

nondurable goods — products that can be used only once or a few times before losing their value (i.e., food, beverages, clothing, gasoline)

nuclear power — the conversion of fissionable materials into available work energy

Nuclear Regulatory Commission — agency designed to control nuclear energy use

O

objective — uninfluenced by emotions or prejudices

on-the-job training — instruction given to a worker during employment hours

oral communication — spoken transmission of thoughts or messages

overproduction — producing too many goods

P

par value — the amount printed on the stock certificates that indicates the value of the stock when it was first issued

patent — an exclusive privilege given by the government to an inventor to make and sell a product for a period of 17 years

peak — upper turning point in economic cycle following expansion

personnel management — the act or manner of handling worker relations within a business organization or institution

picket line — union members who walk back and forth before the entrance to a plant carrying placards during a strike

plan — to set goals

police power — the inherent authority of a government to impose restrictions on private rights for the sake of public welfare, order, and security

policy — a plan of action adopted by a business organization designed to influence and determine decisions and actions

pollution — the contamination of soil, water, or the atmosphere by the discharge of noxious substances

portability — capable of being carried

preferential shop — a union shop whose management gives priority or advantage to union members in hiring, promoting, or laying off

preferred stock — one class of stock divided into identical units (shares). Certain preferences are given to shareholders.

price index number — number relating prices of a group of commodities to their prices during an arbitrarily chosen base period

price level — an established or fixed price for a commodity

primary data — first hand information that has not been classified and analyzed by someone else

PABX — private automatic branch exchange

PAX — private automatic exchange

PBX — private branch exchange

probate laws — legal actions concerned with wills and estate administration

product — goods made from raw materials via human or mechanical effort or by a natural process

profit — the amount remaining after expenses are subtracted from income

profit sharing — a system by which employees receive a portion of the profits of a business enterprise

promissory note — a written promise to pay or repay a specified sum of money at a stated time or on demand

promotion — an advancement in rank or responsibility

prosperity — expansion

proxy — a written authorization for someone other than the stockholder to vote at a stockholder's meeting

pure research — study conducted for the sole purpose of gaining knowledge

Q

quality — excellence; superiority

quantity — an amount of a particular good

R

rate of turnover — the number of workers hired by a business establishment to replace those who have left; a ratio of this number to the number of employed workers

recession — a slowing down of the economy's growth rate

records management — filing and retrieving of document

recovery — an upward trend in the economy's growth rate

registered trademarks — the exclusive right to use a symbol or trade name to distinguish the company's product

reprographics — the duplication or reproduction of materials

responsibility — a duty or obligation; capable of being accountable

right-to-work laws — legislation aimed at prohibition of the closed and union shop because every employee has the right to work and union membership cannot be forced

rumors — unverified information of uncertain origin spread orally; gossip

S

savings bank — a bank that receives and invests the savings of private depositors and pays interest on the deposits

savings certificates of deposit — a savings device whereby the depositor agrees to deposit a large sum of money for a definite period of time at a higher interest rate than a savings account. A penalty is assigned for early withdrawal

scientific method — a system for problem solving that involves (1) locating and defining the problem (2) formulating hypothesis, (3) collecting, classifying, and analyzing data, (4) drawing conclusions

secondary data — information which has been analyzed and interpreted by someone else

Securities and Exchange Commission — the agency that regulates the issuance of new stocks and bonds, and the purchase and sale of existing ones

Sherman Anti-Trust Act of 1980 — gives the government the power to regulate monopoly in interstate commerce

shop steward — a union member chosen by fellow workers to represent them in the dealings with management

sit-down strike — an illegal practice whereby workers go to their place of employment but refuse to work or leave the premises until the strike is over

SBA — Small Business Administration

social insurance — Social Security

socialism — an economic system whereby the society as a whole owns productive property and the government plans, operates, and controls production and distribution of resources

solar energy — the conversion of sun energy into a utilitarian form

stability — resistance to change; constancy of character or purpose, reliable; dependable

staff — a group of assistants who aid an executive or supervisor

standards — a degree or level of attainment or excellence

stock — a certificate that shows ownership of a stated number of shares entitling the holder to dividends and ownership rights

stockholder — owner of share(s) of stock of a corporation

strike — a refusal of employees to work until their demands have been met (walkout)

subordinates — those who stand in order or rank below a leader or leaders

subsidiary — a company that is controlled by another firm through stock ownership

subsidy — money granted by the government to assist in the establishment or support of an enterprise considered to be of benefit to the public

supervisor — a person in charge

surplus — excess of a corporation's net assets over the face value of its capital stock

T

Taft-Hartley Act (1947) — This Labor Management Relations Act restored the balance of power between management and labor by listing "unfair union practices"

TWX — teletypewriter exchange service

time deposits — a bank deposit that cannot be withdrawn before a date specified at the time of deposit

trade acceptance — a draft drawn by the seller of goods on the buyer and accepted by the buyer

trade association — organizations formed by business persons in a particular trade or industry to conduct research studies

trade magazine — specialized information pertaining to a particular industry or type of business

trough — low point of economic cycle following recession

Truth In Lending Act — (*The Consumer Credit Protection Act of 1968*) — requires that consumers be informed of the cost of borrowing and the cost of purchasing on credit in total dollars and as a percentage of the amount borrowed

U

unemployment insurance — requires an employer to give workers some income when they are out of work

V

verbal — spoken

vestibule training — group training given to new employees before they are actually assigned to a regular job

W

Wagner Act (1935) — This act guaranteed

workers the right to organize and listed "unfair labor practices"

wildcat strike — an unauthorized strike by a labor union

working reserve — the money set aside by a banking institution that can be applied to its operation

workmen's compensation — requires employers to provide insurance for a worker's death, injury, or sickness arising directly from the worker's employment (excludes agriculture workers)

written communication — composed transmission of thoughts or messages

Y

yellow-dog contract — an illegal management practice which required the new worker to sign a contract that he/she was not a member of a union, would not join a union and could be discharged if he/she joined a union

Z

zoning laws — requirements relating to the location in which a certain type of building may be constructed

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- Association-Sterling Films, 5797 New Peachtree Road, Atlanta, GA 30340.
- Modern Talking Picture Service, 2323 New Hyde Park Road, New Hyde Park, NY 11040.
- Walt Disney Educational Media Company, 500 S. Buena Vista Street, Burbank, CA 91521.
- South Carolina Credit Union League, POB 1787, Columbia, SC 29202.
- Southern Bell Telephone.
- Listening Library, 1 Park Avenue, Old Greenwich, CT 06870.
- Federal Reserve Bank of Atlanta, 104 Marietta Street, NW, Atlanta, GA 30303.
- Coronet Films, Inc., 65 East South Water Street, Chicago, IL 60601.

OTHER

"New City Telephone Company," Southern Bell Telephone.

"People, Production and Profits," Economics Resource Kit for Teachers, SC State Department of Education.

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